



[Tatiana Bautzer. (May 11, 2023). JPMorgan CEO Dimon says bank is convening a 'war room' on debt ceiling. Reuters (Pilgrims Society). Reproduced for educational purposes only. Fair Use relied upon. Source: <https://www.reuters.com/business/finance/jpmorgan-ceo-jamie-dimon-says-bank-is-preparing-war-room-debt-ceiling-2023-05-11/>]

JPMorgan CEO Dimon says bank is convening a 'war room' on debt ceiling

Reuters

May 11, 2023 9:55 AM EDT Updated 20 days ago



Jamie Dimon, Chairman of the Board and Chief Executive Officer of JPMorgan Chase & Co., pauses as he speaks during an interview with Reuters in Miami, Florida, U.S., February 8, 2023. REUTERS/Marco Bello

NEW YORK, May 11 (Reuters) - JPMorgan Chase & CO ([JPM.N](https://www.reuters.com/business/finance/jpmorgan-ceo-jamie-dimon-says-bank-is-preparing-war-room-debt-ceiling-2023-05-11/)) CEO Jamie Dimon said on Thursday the bank is convening weekly meetings to discuss the implications of a potential U.S. default, according to an interview on Bloomberg TV.

That bank's so-called "war room" will probably start daily meetings on May 21, then ramp up to three times a day if the standoff over the debt limit drags on, he said.

"We've got to be very careful about getting close" to a default, which could cause a financial panic, he added.

"It's very unfortunate, it's time-consuming, hopefully it won't happen, but it affects contracts, collateral, clearing houses, clients."

Turning to the banking crisis, Dimon said regional banks are "quite strong" after reporting good earnings. Still, the industry and regulators should "just be prepared for problems."

He expects more regulation on the banks, but stressed the need to proceed carefully. Dimon hopes regulators, including the U.S. Securities and Exchange Commission (SEC), will look into short selling on bank stocks and potential collusion via social media posts.

Despite those concerns, Dimon blamed the recent banking crisis on CEOs and boards of failed lenders.

JPMorgan has hedged First Republic Bank's interest rate exposure after buying the company when it collapsed into receivership earlier this month, he added. While he expects blowback from the acquisition, Dimon said the U.S. needs big banks to accomplish complex tasks such as banking multinational corporations.

Reporting by Tatiana Bautzer, editing by Lananh Nguyen and Toby Chopra

Our Standards: The Thomson Reuters Trust Principles.

Reproduced for educational purposes only. Fair Use relied upon.